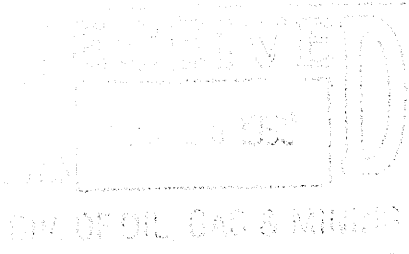




ACT/087/020 #2

August 20, 1999

Utah Coal Program
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801



Under the direction of David B. Miller of Lodestar Energy, Inc, we are submitting revisions to Chapter 2 of the Horizon Mine permit. Due to the recent sale of the Mine the legal and financial information required revisions. We have chosen to submit the information in a format following the regulations. The chapter has been entirely redlined due to this decision. Information has been add or replaced in the existing appendices.

If you have any questions please contact me at (435) 472-0884.

Sincerely yours,

A handwritten signature in cursive script that reads "Vicky".

Vicky S. Miller
EarthFax Engineering, Inc.
Permitting Coordinator

cc: Price Field Office
David Miller

APPLICATION FOR PERMIT PROCESSING

| | | | | | | |
|--|--|----------------------------------|-----------------------------------|--------------------------------------|---------------------------------------|----------------------------------|
| Permit Change | New Permit <input type="checkbox"/> | Renewal <input type="checkbox"/> | Transfer <input type="checkbox"/> | Exploration <input type="checkbox"/> | Bond Release <input type="checkbox"/> | Permit Number: ACT/007/020 |
| Title of Proposal: Revision of Chapter 2 to include ownership changes. | | | | | | Mine: HORIZON |
| | | | | | | Permittee: LODESTAR ENERGY, INC. |

Description, include reason for application and timing required to implement:

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

- | | | |
|---|--|--|
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease. |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 2. Is the application submitted as a result of a Division Order? DO # _____ |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 4. Does application include operations in hydrologic basins other than as currently approved? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 5. Does application result from cancellation, reduction or increase of insurance or reclamation bond? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 6. Does the application require or include public notice/publication? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 7. Does the application require or include ownership, control, right-of-entry, or compliance information? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 9. Is the application submitted as a result of a Violation? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 10. Is the application submitted as a result of other laws or regulations or policies? Explain: _____ |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 11. Does the application affect the surface landowner or change the post mining land use? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?) |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 13. Does the application require or include collection and reporting of any baseline information? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 15. Does application require or include soil removal, storage or placement? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 16. Does the application require or include vegetation monitoring, removal or revegetation activities? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 17. Does the application require or include construction, modification, or removal of surface facilities? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 18. Does the application require or include water monitoring, sediment or drainage control measures? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 19. Does the application require or include certified designs, maps, or calculations? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 20. Does the application require or include subsidence control or monitoring? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 21. Have reclamation costs for bonding been provided for? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 23. Does the application affect permits issued by other agencies or permits issued to other entities? |

☐ Attach 2 complete copies of the application and 1 complete copy delivered to the Price Field office.

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

Signed - Name - Position - Date _____

Subscribed and sworn to before me this ____ day of _____, 19 ____.

My Commission Expires: _____
 Notary Public
 Attest: STA _____, 19____ }
 COUNTY OF _____ TE OF _____ } ss:

Received by Oil, Gas & Mining

ASSIGNED TRACKING NUMBER

Application for Permit Change

Detailed Schedule of Changes to the Permit

Title of Change: Revision of Chapter 2 to include ownership changes

Permit Number: ACT/007/020

Mine: Horizon Mine

Permittee: Lodestar Energy, Inc.

Provide a detailed listing of all changes to the mining and reclamation plan which will be required as a result of this proposed permit change. Individually list all maps and drawings which are to be added, replaced, or removed from the plan. Include changes of the table of contents, section of the plan, pages, or other information as needed to specifically locate, identify and revise the exiting mining and reclamation plan. Include page, section and drawing numbers as part of the description.

| | | | DESCRIPTION OF MAP, TEXT, OR MATERIALS TO BE CHANGED |
|---|---|---------------------------------|---|
| <input type="checkbox"/> ADD | <input checked="" type="checkbox"/> REPLACE | <input type="checkbox"/> REMOVE | Chapter 2 |
| <input checked="" type="checkbox"/> ADD | <input type="checkbox"/> REPLACE | <input type="checkbox"/> REMOVE | Appendix 2-2, add to the back of the existing information |
| <input type="checkbox"/> ADD | <input checked="" type="checkbox"/> REPLACE | <input type="checkbox"/> REMOVE | Appendix 2-4, replace the existing information |
| <input type="checkbox"/> ADD | <input type="checkbox"/> REPLACE | <input type="checkbox"/> REMOVE | |
| <input type="checkbox"/> ADD | <input type="checkbox"/> REPLACE | <input type="checkbox"/> REMOVE | |
| <input type="checkbox"/> ADD | <input type="checkbox"/> REPLACE | <input type="checkbox"/> REMOVE | |
| <input type="checkbox"/> ADD | <input type="checkbox"/> REPLACE | <input type="checkbox"/> REMOVE | |
| <input type="checkbox"/> ADD | <input type="checkbox"/> REPLACE | <input type="checkbox"/> REMOVE | |
| <input type="checkbox"/> ADD | <input type="checkbox"/> REPLACE | <input type="checkbox"/> REMOVE | |
| <input type="checkbox"/> ADD | <input type="checkbox"/> REPLACE | <input type="checkbox"/> REMOVE | |
| <input type="checkbox"/> ADD | <input type="checkbox"/> REPLACE | <input type="checkbox"/> REMOVE | |

August 1999

APPLICATION FOR PERMIT PROCESSING

| | | | | | | |
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Description, include reason for application and timing required to implement:

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

- | | | |
|---|--|---|
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 9. Is the application submitted as a result of a Violation? NOV # |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 10. Is the application submitted as a result of other laws or regulations or policies? Explain: |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 11. Does the application affect the surface landowner or change the post mining land use? |
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I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

David B. Miller Business Mgr 8/20/99
Signed - Name - Position - Date

Subscribed and sworn to before me this 20 day of August, 1999.

Ann H. Carter
Notary PublicMy Commission Expires:
Attest: STATE OF
COUNTY OF CARSONNOTARY PUBLIC
STATE OF UTAH
My Commission Expires
April 23, 2002
ANN H. CARTER
270 N. Railroad
Scotfield, Utah 84526